

Texas State Affordable Housing Corporation

Los Ebanos Apartments

2133 Barnard Rd., Brownsville, Texas 78520

Owner: RHAC – Los Ebanos, LLC

Date Built: 1981

Management Company: J. Allen Management Co.

Property Manager: Erika Gomez

Inspection Date & Time: September 25, 2020 at 9:30 a.m.

Inspector's Name: Celina Mizcles Stubbs

Occupancy at Time of Report:	100%	Average Occupancy Over Last 12 Months:	100%
Number of Units: 65			
Number of One Bedrooms:	4	Number of Two Bedrooms:	23
Number of Three Bedrooms:	32	Number of Four Bedrooms:	6

PHYSICAL INSPECTION	YES	NO	N/A
1) Are the access gates in operable condition?			X
2) Is the community monument sign in acceptable condition?	X		
3) Is the perimeter fence surrounding the property in acceptable condition?	X		
4) Are the grounds and landscaping in acceptable condition?	X		
5) Are trees and shrubs properly trimmed?	X		
6) Are the grounds free of erosion, foot paths and tree root elevation?	X		
7) Are sidewalks clean and in good repair?	X		
8) Is parking lot clean and in good repair with handicap parking clearly marked?	X		
9) Are recreational/common areas clean, maintained and accessible?	X		
10) Are laundry facilities clean, maintained and accessible?			X
11) Is facility equipment operable and in acceptable condition?	X		
12) Is the area around the waste receptacles clean and are the enclosures in good repair?	X		
13) Is the exterior of the buildings in acceptable condition?	X		
14) Are hallways clean and maintained?			X
15) Are storage/maintenance areas clean, maintained and organized?	X		
16) Are building foundations in good repair?	X		
17) Are the gutters, downspouts and fascia boards on the buildings in good repair?	X		
18) Do the building roofs appear to be in good condition?	X		
19) Do balconies and upper level walkways appear to be in good condition?			X
20) Do windows, blinds, doors, and trim appear to be in good condition?	X		
21) Is Management addressing all health, fire or safety concerns on the property?	X		
22) Have repairs or corrections recommended or required from the last physical inspection been satisfactorily completed?	X		

COMMENTS: Based on a review the property photos that were submitted for review, the property is in overall great condition. The property grounds are well maintain and the management office is clean and welcoming. On the last review, the reviewer observed various areas where the sidewalk appears to be cracking and damaged. This year, the reviewer noticed two areas of damaged concrete. Management confirmed the concrete crumbled off again. Prior to the issues of this report, management submitted photos of the two sidewalk repairs that were completed.

SECURITY PROGRAM Part I		
1) After review of the prior 3 months of police reports, the following incidents were noted and includes the number of times incidents occurred:		
Incident Type	# of Occurrences	Comments:
Burglary		
Theft		
Criminal Mischief		
Personal Assault	1	
Drug Related Activity		
Gun Related Activity		
Domestic Violence		
Disturbance		

Texas State Affordable Housing Corporation

Other	1	Family Fight - 1			
			YES	NO	N/A
2) Does the property utilize a crime prevention agreement?			X		
3) Does the property take pro-active measures to address crime on property? If so, add comment			X		
4) Are light checks conducted by management staff on a weekly basis? If not, add comment.			X		

COMMENTS: A review of Brownsville Police Department call log shows 4 calls logged between June 6, 2020 and August 16, 2020. Two of the four calls are noted above. The property continues to host social events with its resident to keep everyone aware of crime prevention. Crime prevention meetings and other social events are temporarily postponed due to covid. Light checks are conducted weekly by the maintenance staff.

SECURITY PROGRAM Part II			YES	NO	N/A
1) Is the Staff trained to address crime on the property?			X		
2) Is the property free of graffiti and/or vandalism?			X		
3) Are criminal background checks being conducted on all residents over 18 years of age?			X		
➤ Are criminal background checks being conducted on residents as they age to be 18 while living in the unit?			X		
4) Has a risk assessment been conducted to determine risk liabilities at the property? If yes, when?			X		

COMMENTS: This year's risk assessment is scheduled for November 2020.

OFFICE			YES	NO	N/A
1) Is the office neat, the desk uncluttered?			X		
2) Are accurate office hours posted?			X		
3) Are emergency phone numbers posted?			X		
4) Are the EHO logos clearly posted?			X		
5) Are the following displayed in full view in the leasing office?					
➤ Fair Housing Poster			X		
➤ Occupancy Qualifications			X		
6) Is there a compliance department that ensures the set aside and eligibility requirements are being maintained?			X		
7) Does the property require licenses or permits?				X	
➤ (Describe)					
8) Are property licenses and permits renewed as required?					X
9) Are vendor insurance records/binders properly maintained?			X		
10) Are vendors properly screened to ensure proper insurance documents are being maintained?			X		
11) Which of the following community amenities are provided for resident use?					
➤ Playground			X		
➤ Community Room			X		
➤ BBQ/Picnic Area			X		
➤ Laundry Facility				X	
➤ Business Center			X		
➤ Pool				X	
➤ Other (describe)				X	

COMMENTS: All community amenities are temporarily closed (or taped off) due to covid. They will reopen or be available when social restrictions are lifted.

KEY CONTROL			YES	NO	N/A
1) Does the property use an electronic key tracking system? If not, answer questions 2-4.			X		
2) Are all property keys properly coded?					X
3) Is key box locked and secured?					X
4) Is the key code list kept separate from the key box?					X
5) Are locks being changed during unit turnovers?			X		

COMMENTS: The property utilizes The Blackhorse key system.

MAINTENANCE PROGRAM			YES	NO	N/A
1) Does the property have a preventative maintenance program?			X		
2) Is the preventative maintenance schedule being implemented?			X		

Texas State Affordable Housing Corporation

3) Is the maintenance shop clean and organized?	X		
4) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
5) How often are Pest Control services provided? ➢ Units are treated for pest control quarterly. Additional pest control services can be added, if needed.			
6) What is the policy for following up on completed service requests? ➢ Per policy, reoccurring maintenances must be followed up on by the Property Manager.			
7) What is the property's after-hours emergency policy? ➢ The after-hours number is posted on the management office door and provided to tenants. After hours calls are answered by the property manager.			
8) What capital improvements have been scheduled or completed for this budget year? ➢ No capital improvements were scheduled or completed this budget year.			
Detail of Ongoing Repairs and Replacements Completed in Last Budget Year			
9) Unit Interior and Appliance upgrades ➢ Unit interiors and appliance upgrades were completed when needed.			
10) Building Exterior and Curb Appeal repairs ➢ There were no exterior, or curb appeal upgrades completed.			
11) Amenity upgrades ➢ None			
12) Other repairs or replacements ➢ NA			
Number of service requests received:	101		
Number of requests open from prior periods:	0		
Number of service requests completed:	97		
Number of service requests completed within 24 hours:	27		
Number of outstanding service requests:	4		
13) On average, how many days does it take to complete a work order? ➢ Maintenance staff completed work order within 3 days of being created.			
COMMENTS: Prior to the issuance of this report, management confirmed the 4 pending work orders have closed.			

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth		2	1
Flyers			
Resident Referral			
Locator Service			
Printed/Internet Advertising			
Other Source (Calls from Daycare/School)	\$0	31	17
TOTAL	\$0	33	18
The rental activity reflected in the above table was for September 1, 2019 – September 1, 2020.			
	YES	NO	N/A
2) Is the property doing bilingual advertising?	X		
3) Does the property have any competitors nearby?	X		
4) Does the property "shop" their competitors?		X	
5) Does the property complete a market survey at least monthly?		X	
COMMENTS: Based on the conversation, the reviewer was made aware that the traffic source type "Other" includes prospects from the wait list, daycare referrals referral and general phone calls. The reviewer recommends the traffic report be edited to include these specific source types.			

LEASE RENEWAL	YES	NO	N/A
1) Does it appear that an effective lease renewal program is in place? If no, please comment below.	X		
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: N/A	6 months: N/A	12 months: 76%

Texas State Affordable Housing Corporation

3) What percentage of move-outs in the last 12 months were due to eviction/non-payment of rent or "skip"?	0%		
4) Are lease renewal/rent increase notices sent to residents at the 120-day, 90-day, 60-day and 30-day timeframes prior the end of the lease contract? If not, comment below.	X		
5) Are rent increase notices sent to residents at least 30-days prior to the rent increase implementation?	X		
6) Are individual files being reviewed to determine renewal/non-renewal status?	X		
7) Are renewals and re-certifications tracked and monitored with property management software? I.e., Yardi, Onesite, or Owner/Agent created software?	X		
8) Are rent increases being implemented?	X		
9) When was the last rent increase implemented? What was the average rent increase? > The last rent increase was implemented in August 2020. Rents increased by about 2% for all units sizes.			
10) How many households are currently on month-to-month leases? > Per the HUD lease, after the initial term, the lease rolls into a month-to-month term.			
11) What is the charge for month-to-month leases? > N/A			
COMMENTS:			

VACANT/MAKE READY UNITS

1) Number of vacant units at time of activity report:	0
2) Number of completed made ready units at time of activity report:	0
3) Number of completed one bedroom units at time of activity report:	0
4) Number of completed two bedroom units at time of activity report:	0
5) Number of completed three bedroom units at time of activity report:	0
6) Number of uncompleted made ready units at time of activity report:	0
7) Number of uncompleted one bedroom units at time of activity report:	0
8) Number of uncompleted two bedroom units at time of activity report:	0
9) Number of uncompleted three bedroom units at time of activity report:	0

Units Walked

Unit #	Brief Description
9	(2x1) Occupied: The unit is in good condition.
53	(2x1) Occupied: The unit is in good condition.

Down Units Walked (units vacant and unready for extended period of time and all down units)

Unit #	Brief Description
NA	

	YES	NO	N/A
1) Does the Unit Availability Report match the make ready board?			X
2) Are units being turned in a timely manner?	X		
3) Are there any down units?		X	
4) Are there vacant units that have been vacant for an extended period of time? If so, please comment below.		X	
5) Is management utilizing property software (i.e., Yardi, Onesite, or an owner/agent created) to monitor the timely preparation of units? If not, comment.	X		
6) How often are occupied units inspected? > Occupied units are inspected: Quarterly			
7) How often are vacant units inspected? > Vacant units are inspected: Daily			
8) How many vacant units are in progress of being made ready? > There were no vacant units on the date of this review.			
9) What is the company policy on the number of days to turn vacant units? > The company policy is to turn vacant units within 3-5 business days.			

COMMENTS:

BUDGET MANAGEMENT

	YES	NO	N/A
1) Are three bids solicited in order to obtain materials, supplies, and services? > Three bids are required to be obtained and reviewed prior to moving forward with purchases of services and materials.			

Texas State Affordable Housing Corporation

- 2) Have there been any large unexpected repairs or purchases that have negatively affected the current budget?
 ➤ The property had an unexpected underground plumbing leak and a gas line repair that negatively affected the current budget.
- 3) Explain YTD variances of 10% or greater.

Expense Items that Varied by 10% or Greater from the Budget for Year to Date Operations Ending

(Please note that a positive variance is under budget and a negative variance is over budget.)

EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION
Administrative Expenses	\$9,406	\$12,138	\$2,731	22%	Bank Fees, Evictions, Seminar Training
Leasing Expenses	\$173	\$450	\$276	61%	Promotions and Entertainment
Repair/Replacement Under \$5k	\$30,280	\$25,550	(\$4,730)	(18%)	Cabinets, Subfloors, Plumbing

COMMENTS:

REVENUE

FOR THE MONTH ENDING: July 2020		YEAR TO DATE AS OF: July 2020	
Gross Potential	\$48,636	Gross Potential	\$337,113
Budgeted Rental Income	\$48,607	Budgeted Rental Income	\$336,601
Actual Rental Income Collected	\$48,534	Actual Rental Income Collected	\$335,123
Variance + (-)	\$631	Variance + (-)	\$1,478
Other Revenue	\$555	Other Revenue	\$2,667
Total Collected	\$49,089	Total Collected	\$339,268
Budgeted	\$48,003	Budgeted	\$335,937
Variance + (-)	\$1,085	Variance + (-)	\$3,330

COMMENTS:

ACCOUNTS PAYABLE

	YES	NO	N/A
1) Is the payable report up to date?	X		
2) Is the property in good standing with all vendors?	X		
3) Are invoices processed weekly?	X		
COMMENTS: Payable balances were taken from the Vendor Aging Report dated 9/9/2020.	0-30 Days:		\$4,845
	30-60 Days:		(\$13)
	60 Days and Over:		(\$180)
	TOTAL		\$4,652

DELINQUENCIES

	YES	NO	N/A
1) Is the delinquency report up to date?	X		
2) What is the rent collection policy? ➤ Rent is due on the 1 st and late on the 6 th day. On the 6 th , an initial late fee of \$5 is assessed and an additional daily fee of \$1 is accrued.			
3) When is legal action taken against delinquent accounts? ➤ Legal action is taken on or around the 20 th of each month.			
4) Does the property currently have any resident(s) under eviction?		X	
5) Does Housing have any outstanding balances?	X		
COMMENTS: Delinquent and Prepaid Report dated 9/7/2020.	0-30 Days:		\$916
	30-60 Days:		\$100
	60 Days and Over:		\$70
	TOTAL		\$1,086

RETURNED CHECKS

	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		0	
2) Has the manager collected and deposited all returned checks?			X

Texas State Affordable Housing Corporation

3) Is the manager following company policy on returned checks?			X
--	--	--	---

COMMENTS:

PERSONNEL	YES	NO	N/A
1) Does owner/agent have a system/procedure for providing field supervision of on-site personnel?	X		
2) Does the property appear to be adequately staffed?	X		
3) Is overtime being controlled?	X		
4) Were requested pre-audit reports submitted on time?	X		
5) Does it appear that personnel are team oriented?	X		
6) Are name tags/photo IDs being worn by the maintenance personnel?	X		
7) Was management staff prepared for the site visit?	X		
8) Has staff turnover occurred since the last site review?		X	
9) Are weekly staff meetings held?	X		
10) Have personnel been trained in Fair Housing?	X		
11) List training staff has received in the past year. ➤ Site staff is required to log into J. Allen trainings and various Grace Hill trainings.			

COMMENTS:

OWNER PARTICIPATION	YES	NO	N/A
1) Does the owner have access to the software system utilized to manage the property?	X		
2) How often are reports submitted to the owner? ➤ The Owner can review reports as often as needed; therefore, reports are not required to be submitted.			
3) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? ➤ Owner approval is required for any amount not budget. The Regional Manager needs owner approval for amounts over \$1,000.			
4) Are the funds for needed capital improvement items, turning of units, and marketing campaigns released by the owner according to what has been budgeted?	X		

COMMENTS:

SUMMARY OF OBSERVATIONS AND FINDINGS
<p>No Findings or Observations.</p>

Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation



Texas State Affordable Housing Corporation

